

**Opening Statement of Senator Larry Craig,
Chairman, U.S. Senate Special Committee on Aging**

**Hearing on “*Retirement Planning: Do We Have a
Crisis in America?*”**

January 27, 2004

Good morning. I am very pleased to reconvene the Senate Special Committee on Aging for the 108th Congress. Today’s hearing is on a topic of strong interest for me—promoting income security for Americans in their retirement.

Just two years ago, John Breaux and I served as delegates to the Saver Summit. At that time, I remarked that the Summit was the beginning, not the end, of our commitment to help Americans plan for their retirement. This hearing is a continuation of that effort.

America has come a long way in building a stronger retirement system compared to the early 20th century. We shouldn’t lose sight of those accomplishments. However, we have seen a

dynamic increase in longevity and a trend toward healthy aging. Americans are living longer and healthier than ever before. This means they must plan to save more to keep them from outliving their retirement nest egg.

A recent report from the Department of Commerce shows that the personal savings rate has declined from 7.7 in 1992 to 2.3 percent in 2002. At a time when savings should be going up, we see a dramatic decline.

Today's hearing should help us understand the impact of this dramatic decline in personal saving and the leading ideas for addressing this decline.

With that, let me say I am pleased to welcome our three expert witnesses here today. I very much look forward to the testimony from Dr. Jack VanDerhei , of Temple University and the Employee Benefit Research Institute; Dr. John Goodman,

President of the National Center for Policy Analysis in Dallas; and Dr. Jagadeesh Gokhale, Senior Fellow at the Cato Institute.

We look forward to learning more about retirement planning and personal savings from our panel of witnesses.